



INSTITUTIONAL AND FINANCIAL STABILIZATION GRANT GUIDELINES AND APPLICATION FORM 2003-2004



*A PROGRAM OF THE NEW JERSEY CULTURAL TRUST,
THE NEW JERSEY HISTORICAL COMMISSION AND
THE NEW JERSEY STATE COUNCIL ON THE ARTS*

The New Jersey Cultural Trust was established by law in July 2000 to develop a permanent source of additional funding for arts, history and humanities organizations to help them improve their offerings to the public by achieving greater financial and operational stability. The *Cultural Trust Act* created a Trust Fund, the interest earnings of which may be awarded as grants to support capital projects, endowments and institutional and financial stabilization of *qualified* organizations. The Act directs the New Jersey State Council on the Arts, the New Jersey Historical Commission and the New Jersey Historic Trust to develop programs that will recommend to the Cultural Trust projects for such grants.

In this pilot year, the grant program developed by the Historical Commission and the State Council on the Arts will be devoted to institutional and financial stabilization projects only. The information contained in these guidelines explains how "qualified" organizations can apply for institutional and financial stabilization, and how this program will work. The Historic Trust will develop a separate program for capital support for history and humanities organizations.

Eligibility: To be eligible for funds, an organization must be a New Jersey based, non-profit organization (no schools or units of government) that is qualified by the Cultural Trust. Applications for qualification are available from the Cultural Trust website www.njculturaltrust.org or from its office by calling 609-984-6767. Applications for qualification are accepted on an ongoing basis. They may be submitted along with the grant application. To qualify, the organization must also demonstrate that it:

- fulfills an arts, history or humanities mission through active programs and services
- has been in operation for a minimum of four years
- is tax-exempt
- demonstrates financial and budgetary oversight to the standards set by the Cultural Trust

The term "humanities" includes, but is not limited to, the study and interpretation of the following: modern and classical languages, linguistics, literature, history, jurisprudence, philosophy, archaeology, comparative religion, ethics, the history, criticism and theory of the arts, those aspects of the social sciences which have humanistic content and employ humanistic methods, and the study and application of the humanities to the human environment.

Institutional and Financial Stabilization: The Trust Act intentionally defines this term very broadly. The goal is both to assist groups in addressing financial and operational challenges that threaten their stability and to help them build greater capacity to advance their work and achieve their mission. The strategies and projects that can accomplish this are as various as the organizations themselves. What they all must have in common to be considered for a grant; however, is the ability to produce results that are significant and sustainable. Though the Arts Council and Historical Commission impose no priorities in this pilot year and look forward to requests that will help shape future programs, what follows are examples of some of the more common challenges to stability and capacity building and ways of addressing them. They do not define the range and nature of possible fundable projects and are offered only as general guidance for the terms Institutional and Financial Stabilization and how some organizations approach it. What is right for your organization will be determined by your circumstances and plans.

- **Deficits:** They can cripple and destroy. Ways to address one could include: 1) paying it down 2) diagnosing the cause 3) once diagnosed, curing it, e.g. marketing, program underwriting, expanded membership, fundraising, board development, business plans and staff configurations, etc.
- **Advancement and Capacity Building:** The same strategies used to erase deficits can be applied to advancing an organization's overall program and operating capacity by broadening and increasing income, attracting new audiences and forging new partnerships.
- **Regulating Cash Flow and Establishing Working Capital:** Sometimes the cycle of activity requires significant and de-stabilizing outlays prior to receipts and sends groups to financial institutions for bridge loans and lines of credit that carry interest payments. Having a revolving fund can address the issue and pay you interest. Few emerging groups are able to appropriately budget for maintenance or have funds they can turn to in an emergency such as property damage or casualty loss. Creating working capital funds that can be replenished reduces operating risk and better secures an organization's other income and assets.
- **Strategic Planning:** Whether the key to your stabilization and advancement is in marketing, fundraising, board development, facilities, operational or program expansion, greater membership or outreach, possessing a sound strategic plan is the first step toward success.
- **Professional Development:** A new skill set may be required in order to perform essential or new business functions for which board and staff can be trained. This idea may extend to business systems and services as well as things that help organizations reduce costs, improve accountability or increase productivity.

Grant Size: Grants will generally range from \$5,000 to \$15,000. Requests above \$25,000 cannot be considered at this time.

Match: There is **NO** matching requirement. However, if an organization's project costs more than is being requested, the proposal must clearly demonstrate the organization's ability to provide the remaining necessary funds.

Number of Applications: A qualified organization may submit only one application.

Deadline: E-mailed and/or delivered on or before **January 15, 2004.**

Process: Applications by eligible organizations will be reviewed, evaluated and ranked by an independent panel of qualified persons employing uniform evaluation criteria. The Historical Commission will review the findings of the panel for history and humanities applications. The Council on the Arts will review those relating to the arts. Each will forward to the Cultural Trust Board a list of projects it recommends for funding. The lists will be developed with consideration to geographic diversity. The Trust Board may delete projects from the list and will communicate its reasons for any deletion and allow for appeal. Successful grantees will be issued a contract. The Trust reserves the right to place other conditions upon any grant as they may relate to monitoring and reporting.

Criteria: The following criteria will be used in the assessment of the proposal:

- The ability of the project to improve long term stability and advancement of the applicant
- The extent to which the proposed project can be successfully accomplished with the grant and other resources available to the applicant (present realistic budgets)
- How the project fits into the organization's strategic planning as a logical step towards stabilization and/or advancement
- The ability and commitment of the applicant to execute the project
- The project's potential to serve as a model for other organizations
- The nature and impact of the organization's programs and services on the intended audience

Ineligible Projects: The following types of projects are ineligible:

- Capital projects
- Contributions to endowments
- Education in a matriculating course of study
- Fundraising events, e.g. galas, receptions, etc.
- International travel
- History, arts or humanities programs and services

Grants are intended to make possible projects and activities that otherwise would not have been possible at this time. They may not replace other funds and must be in addition to funds originally and normally budgeted. Grant funds may not be used to match any other State of New Jersey grant. Indirect and other administrative costs may not be charged against the grant.

For information and assistance contact the New Jersey State Council on the Arts at (609) 292-6130, the New Jersey Historical Commission at (609) 292-6062 or The New Jersey Cultural Trust (609) 984-6767.

Directions for Applying: Qualified organizations can apply in one of two ways: 1) by hard copy mail or delivery or 2) as an e-mail attachment with original and support materials mailed or delivered. The guidelines and forms are available on the web sites of the Arts Council www.njartscouncil.org, Historical Commission www.newjerseyhistory.org and The New Jersey Cultural Trust www.njculturaltrust.org. The narrative and forms can be completed on line, printed and then sent by conventional mail, or copied and sent as an e-mail attachment.

If submitted by conventional means, we require the following **delivered** on or before January 15, 2004:

- An original, blue ink-signed application form and 8 copies
- 8 sets of the narrative and required support materials collated
- 1 set of any optional support materials

If the submission is via e-mail, we require the following **e-mailed and delivered** on or before January 15, 2004:

- 1 set of application, narrative and required support materials via e-mail
- E-mail attachments must be in Word or Excel files
- An original, blue ink-signed application by conventional means
- 1 set of any optional support materials by conventional means

All mailed applications should be sent to:

Stabilization Grants
c/o The New Jersey Cultural Trust
P. O. Box 529
Trenton, New Jersey 08625-0529

All e-mail applications should be sent to:

FY04FinancialStabilizationProgram@sos.state.nj.us

- Deliveries can be made to the 4th floor reception area of 225 West State Street, Trenton, NJ

Making a Complete Application

A complete application is composed several elements, the two most important of which (Application Form and Narrative) can be completed on-line and filed as an e-mail attachment, others of which may also be sent as e-mail attachments (provided they are in Word and/or Excel formats). Others will have to be delivered by conventional means. Send e-mail to **FY04FinancialStabilizationProgram@sos.state.nj.us**. We suggest that you hard copy this page for reference as you proceed and as a checklist before you submit. The elements of a complete application are as follows:

Application Form: This may be completed online.

Narrative: This too may be completed on-line and requires composition of a narrative of no more than three pages in length that responds to the following:

1. Describe your organization, its mission, programming, audience, and the major challenges to its future growth and development.
2. Describe the proposed stabilization project. How will the project be accomplished? What resources (staffing, other funds) will be used? If the project will cost more than the grant, how will the funds or additional resources be obtained and when will these resources be in place?
3. Discuss why the project is a high priority and how it fits into your organization's strategic planning. How will it lead to permanent improvement in the financial, operational or institutional stability or advancement of the organization?

Required Support Materials: The below, with the exception of the audit, may be created in Word or Excel and sent as e-mail attachments.

A. Financial

1. Income and expense budget for the project
2. Income and expense budget for the entire organizational operation for the most recently completed fiscal year
3. Most recently completed audit (or IRS 990 if applicant's annual budget is less than \$100,000)

B. Operational

1. List of all staff members with titles (indicate which are paid) **OR** an organizational chart.

C. Other

1. Resumes **OR** brief bios of the key participants in the project (staff, board members, consultants).
No more than three pages each
2. Background on **all** outside organizations, agencies or institutions that are projected to provide services in support of this project

Optional Support Materials: (no more than three pieces, hard-copy only and all non-returnable)

1. Photographs of facilities
2. Program brochures
3. Guides to programs and services
4. Planning documents that support the project
5. Any other easily digestible document or item that will aid an independent evaluator in better understanding who you are, what you do and how you do it (no books, video or audio tapes, DVD's, or CD ROM's please).

THE NEW JERSEY CULTURAL TRUST,
THE NEW JERSEY HISTORICAL COMMISSION AND
THE NEW JERSEY STATE COUNCIL ON THE ARTS



STABILIZATION GRANT APPLICATION FORM 2003-2004

Name of Organization _____ Type of Organization _____

Official Address _____ Arts

City, State, Zip _____ History

Telephone _____ Fax _____ Charities Registration Number _____ Humanities

E-mail address _____ FEI Number _____

County _____ Legislative District _____ Congressional District _____

Has the applicant been qualified by the NJ Cultural Trust? _____

If not, has an application for qualification been submitted, or is one included with this grant? _____

Name of Primary Contact _____

Phone, fax, e-mail address, if different from above _____

Name and address of Board Chair _____

Name, address, phone and e-mail of CEO, if different from above _____

Total Project Costs: \$ _____

Total Grant Requested: \$ _____

In the box below, in 50 words or less (and for publication purposes), describe the stabilization project you propose.

Certification and Signatures: The signatories below certify that to the best of their knowledge and belief the information contained in this application is true and accurate and further understand that submission of this application implies prior review and approval of all representations made therein by the applicant's governing body. It is also understood and accepted that in applying for this grant the organization is agreeing to comply with all pertinent state and federal laws and regulations, including those governing the release of all public documents submitted as part of this application.

Signature of Chief Executive Officer _____

Signature of Board President _____

Narrative: *In a narrative of no more than three pages in length, respond to the questions on page 3 of the Guidelines:*

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